



COUNTY OF LOS ANGELES

DEPARTMENT OF PUBLIC WORKS

"To Enrich Lives Through Effective and Caring Service"

900 SOUTH FREMONT AVENUE
ALHAMBRA, CALIFORNIA 91803-1331
Telephone: (626) 458-5100
www.ladpw.org

ADDRESS ALL CORRESPONDENCE TO:
P.O. BOX 1460
ALHAMBRA, CALIFORNIA 91802-1460

IN REPLY PLEASE

REFER TO FILE: **WM-7**

November 18, 2004

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**STATE WATER RESOURCES CONTROL BOARD
PROPOSITION 13 NONPOINT SOURCE
POLLUTION CONTROL PROGRAM GRANT
SUPERVISORIAL DISTRICT 3
3 VOTES**

**IT IS RECOMMENDED THAT YOUR BOARD ACTING AS THE GOVERNING BODY
OF THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT:**

1. Accept a grant in the amount of \$954,000 from the State Water Resources Control Board to partially fund the development of prioritization criteria for ranking nonpoint source pollution projects and the construction of one or more demonstration projects.
2. Adopt the enclosed resolution delegating authority to the Interim Chief Engineer of the Los Angeles County Flood Control District, or his designee, to conduct business with the State Water Resources Control Board on any and all matters related to this grant, including negotiating and executing a grant agreement substantially similar to the agreement presented in Attachment A, and to sign any amendments and requests for reimbursement for and on behalf of the District.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On July 15, 2003, the Santa Monica Bay Beaches Dry- and Wet-Weather Bacteria Total Maximum Daily Load (TMDL) regulations became effective. The regulations designate the County of Los Angeles as the responsible agency, along with other agencies with jurisdiction over the areas that drain to the Santa Monica Bay, to submit a final implementation plan by July 2005. The implementation plan will describe and prioritize nonstructural strategies, as well as construction projects, to be undertaken to meet the TMDL.

This grant will partially fund the development of criteria for ranking nonpoint source pollution projects in North Santa Monica Bay (NSMB). The established criteria will enable us to prioritize, select, and construct one or more demonstration projects. This project(s) will reduce nonpoint source pollution to NSMB beaches and provide valuable data on the effectiveness of new water quality treatment technologies. The work required for this grant will be completed by County staff in conjunction with a task force, which includes a member of the Regional Water Quality Control Board, the environmental community, the City of Malibu, and Caltrans.

Delegating authority to the Interim Chief Engineer of the Flood Control District, or his designee, to act as an agent for the District when conducting business with the State Water Resources Control Board on items related to this grant will streamline the project delivery process. Your action will allow the grant agreement to be executed by the Interim Chief Engineer, or his designee, in his role as an agent for the District.

Implementation of Strategic Plan Goals

This action is consistent with the County Strategic Plan Goal of Fiscal Responsibility and fully supports the strategy to strengthen the County's fiscal capacity by actively seeking external funding sources.

FISCAL IMPACT/FINANCING

There will be no impact to the County's General Fund. The total cost of the project is estimated at \$1,154,000. The Flood Control District will contribute \$200,000 in matching funds. This \$954,000 grant from the State Water Resources Control Board will partially reimburse the Flood Control District for costs incurred. An amount of \$100,000 is already included in the Fiscal Year 2004-05 Flood Control District Budget. The remaining project cost will be reflected in Fiscal Year 2005-06 and 2006-07 Budgets accordingly.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

On July 11, 2000, your Board approved guidelines for the acceptance of State and Federal grants of \$100,000 or more. These guidelines include a requirement that the County departments prepare a Grant Management Statement for your Board's review prior to the departments carrying out the activities covered under the grant. Accordingly, the Grant Management Statement for this grant is enclosed for your review.

The enclosed resolution and grant agreement have been reviewed and approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

A finding of environmental impact is not required for acceptance of this grant funding. This action does not constitute a project as set forth by California Environmental Quality Act Guidelines Section 21065 and is, therefore, exempt from the requirements of the California Environmental Quality Act. The District will return to your Board for an environmental finding for any projects that arise from this program.

CONTRACTING PROCESS

Not applicable.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

The grant will enable the District to construct a demonstration project to reduce nonpoint source pollution in the North Santa Monica Bay.

The Honorable Board of Supervisors
November 18, 2004
Page 4

CONCLUSION

Please return three approved copies of this letter and three copies of the signed resolution to Public Works.

Respectfully submitted,

DONALD L. WOLFE
Interim Director of Public Works

CT:kk

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Enc.

cc: Chief Administrative Office
County Counsel

**RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF LOS ANGELES, CALIFORNIA, ACTING AS THE GOVERNING BODY
OF THE LOS ANGELES COUNTY FLOOD CONTROL DISTRICT
TO ACCEPT THE PROPOSITION 13 NONPOINT SOURCE POLLUTION CONTROL
PROGRAM GRANT**

WHEREAS, the State of California has established the Proposition 13 Nonpoint Source Pollution Control Program Grant to provide funding for nonpoint source pollution projects that implement measures to reduce polluted runoff; and

WHEREAS, in accordance with Proposition 13, the State of California, with direct oversight provided by the State Water Resources Control Board, approved the award of \$954,000 through the Proposition 13 Nonpoint Source Pollution Control Program to the Los Angeles County Flood Control District; and

WHEREAS, the Los Angeles County Flood Control District will develop prioritization criteria for ranking nonpoint source pollution projects, which will result in the construction of one or more demonstration projects and provide valuable data to reduce the nonpoint source pollution at North Santa Monica Bay beaches; and

WHEREAS, the County Strategic Plan Goal of Fiscal Responsibility requires that Departments actively seek project funds from outside agencies; and

WHEREAS, the State Water Resources Control Board requires a resolution by the governing body of the local agency to designate a representative to negotiate and execute the grant contract and any amendments, and to sign the requests for reimbursements on behalf of the local agency.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Supervisors of the County of Los Angeles, acting as the governing body of the Los Angeles Flood Control District, hereby:

Authorizes and directs the Interim Chief Engineer of the Los Angeles County Flood Control District, or his designee, to conduct business with the State Water Resources Control Board on any and all matters related to the Proposition 13 Nonpoint Source Pollution Control Program Grant, including negotiating and executing the grant contract and any amendments for the amount of \$954,000 and signing the requests for reimbursement.

The foregoing Resolution was on the _____ day of _____, 2004, adopted by the Board of Supervisors of the County of Los Angeles and ex officio of the governing body of all other special assessment and taxing districts, agencies, and authorities for which said Board so acts.

VIOLET VARONA-LUKENS
Executive Officer of the
Board of Supervisors of the
County of Los Angeles

By _____
Deputy

APPROVED AS TO FORM:

RAYMOND G. FORTNER, JR.
County Counsel

By _____
Deputy

Los Angeles County Chief Administrative Office

Grant Management Statement for Grants \$100,000 or More

Department: Public Works of behalf of Los Angeles County Flood Control District		
Grant Project Title and Description: Proposition 13 Nonpoint Source Pollution Control Program Grant – North Santa Monica Bay Water Quality Improvement		
Develop prioritization criteria for ranking nonpoint source pollution projects and construct one or more demonstration projects to provide valuable data to reduce nonpoint source pollution in North Santa Monica Bay.		
Funding Agency	Program (Fed. Grant #/State Bill or Code #)	Grant Acceptance Deadline
State Water Resources Control Board	Proposition 13, Nonpoint Source Pollution Control Program	December 2004
Total Amount of Grant Funding: \$954,000		County Match: \$176,000 (Soft) and \$24,000 (Hard)
Grant Period: 2 years, 4 months	Begin Date: 12/01/2004	End Date: 03/31/2007
Number of Personnel Hired Under This Grant:	Full Time: 0	Part Time: 0
<u>Obligations Imposed on the County When the Grant Expires</u>		
Will all personnel hired for this program be informed this is a grant-funded program?		NA
Will all personnel hired for this program be placed on temporary ("N") items?		NA
Is the County obligated to continue this program after the grant expires?	Yes*	
If the County is not obligated to continue this program after the grant expires, the Department will:		
a.) Absorb the program cost without reducing other services		NA
b.) Identify other revenue sources (describe below)		NA
c.) Eliminate or reduce, as appropriate, positions/program costs funded by the grant.		NA
Impact of additional personnel on existing space:		
None		
Other requirements not mentioned above:		
*The Flood Control District is required to maintain the constructed project.		

Department Head Signature_____

Date:_____

ATTACHMENT A

PROPOSITION 13 NONPOINT SOURCE POLLUTION CONTROL GRANT PROGRAM
GRANT AGREEMENT
BETWEEN THE
STATE WATER RESOURCES CONTROL BOARD
AND

COUNTY OF LOS ANGELES FLOOD CONTROL DISTRICT

NORTH SANTA MONICA BAY WATER QUALITY IMPROVEMENT

AGREEMENT NO. 04-095-554-0

This Grant Agreement is made between the State of California acting by and through the State Water Resources Control Board, hereafter referred to as the "SWRCB", and County of Los Angeles Flood Control District, a local public agency, hereafter referred to as the "Grantee".

WHEREAS:

1. The following provision(s) authorize the SWRCB to enter into this type of Grant Agreement:
WC § 79114 (Pr 13 Nonpoint Source)
2. The Grantee has applied for a grant and has been determined by the SWRCB to be eligible for a grant pursuant to applicable State laws and regulations; and
3. The SWRCB, pursuant to the SWRCB Resolution No. 2004-0035, approved on June 17, 2004, has authorized grant funding for the Project hereafter described.

NOW, THEREFORE, it is agreed as follows:

1. The Project generally consists of an iterative and adaptive approach to improve water quality in North Santa Monica Bay and ultimately meeting the Total Maximum Daily Load (TMDL) requirements by compiling a prioritized list of projects as well as implementing the project(s) to achieve measurable water quality improvement for the benefit of the Grantee.

The Project Representatives during the term of this Agreement will be:

State Water Resources Control Board	Grantee: County of Los Angeles Flood Control District
Name: Rod Collins, Grant Manager	Name: Terri Grant, Project Director
Address: 320 West 4 th Street, Suite 200 Los Angeles, CA 90013	Address: 900 South Fremont Avenue Alhambra, CA 91803
Phone: (213) 576-6691	Phone: (626) 458-4309
Fax: (213) 576-6686	Fax: (625) 457-1526
e-mail: rcollins@rb4.swrcb.ca.gov	e-mail: tgrant@ladpw.org

Direct all inquiries to:

State Water Resources Control Board	Grantee: County of Los Angeles Flood Control District
Section/Unit: Division of Financial Assistance	Section/Unit: Watershed Management Division/NSMB
Attention: Monica Torres, Program Analyst	Attention: Wendy La, Grant Contact
Address: 1001 I Street, 16 th Floor Sacramento, CA 95814	Address: 900 South Fremont Avenue, 11th Floor Alhambra, CA 91803
Phone: (916) 341-5494	Phone: (626) 458-4964
Fax: (916) 341-5296	Fax: (626) 457-1526
e-mail: tormm@swrcb.ca.gov	e-mail: wla@ladpw.org

Each party may change its Project Representative upon written notice to the other party.

2. Incorporation of Documents. This Agreement incorporates the following documents:
 - 2.1 Exhibit A, Scope of Work;
 - 2.2 Exhibit B, Invoicing, Budget Detail, and Reporting Provisions;
 - 2.3 Exhibit C, SWRCB General Conditions; and
 - 2.4 Exhibit D, Grant Program Terms and Conditions.
3. The Grantee accepts and agrees to comply with all terms, provisions, conditions, and commitments of this Agreement, including all incorporated documents, and to fulfill all assurances, declarations, representations, and commitments made by the Grantee in its application, accompanying documents, and communications filed in support of its request for grant funding. Grantee shall comply with and require its contractors and subcontractors to comply with all applicable laws, policies and regulations.
4. The term of the Agreement shall begin on DECEMBER 1, 2004 and continue for twenty-three (23) years unless otherwise terminated or amended as provided in the Agreement. **HOWEVER, ALL WORK SHALL BE COMPLETED BY MARCH 31, 2007.**

IN WITNESS THEREOF, the parties have executed this Agreement on the dates set forth below.

By: _____
Grantee Signature

By: _____
Bill Brown, Chief
SWRCB, Division of Administrative Services

Grantee Typed/Printed Name

Date

Title and Date

Reviewed by:
Office of Chief Counsel
Date:

EXHIBIT A – SCOPE OF WORK

1. Quality Assurance Project Plan and Monitoring Plan

- 1.1 Grantee shall prepare and maintain a Quality Assurance Project Plan (QAPP) that is consistent with the QAPP for the Surface Water Ambient Monitoring Program (SWAMP). The QAPP must be approved by the Regional Water Quality Control Board's (RWQCB) or SWRCB's Quality Assurance (QA) Officer prior to implementation of any sampling or monitoring activities. No monitoring may occur prior to QAPP approval. Any costs related to monitoring data collected prior to and not supported by the approved QAPP will not be reimbursed.
- 1.2 Grantee shall prepare and maintain a Monitoring Plan that describes the types of constituents to be monitored and the frequency/schedule for the monitoring activities. The Monitoring Plan shall be approved by the Grant Manager prior to implementation of any sampling or monitoring activities. No monitoring may occur prior to Monitoring Plan approval. The Grant Manager must approve any changes to the Monitoring Plan prior to implementation.

2. Work To Be Performed by Grantee:

2.1 North Santa Monica Bay Technical Advisory Committee (TAC)

- 2.1.1 Form a TAC, which includes representation from the following entities: experts in the regulatory community, academia, environmental organizations, the City of Malibu, the California Department of Transportation (Caltrans), the County of Los Angeles, and the Grant Manager.
- 2.1.2 Establish TAC roles and responsibilities that will include reviewing interim project prioritizing reports and the draft final report; contributing information from their organization about resources in the Topanga Creek and Other Rural Watersheds, also known as Jurisdictions 1 and 4 under the Santa Monica Bay Beaches Wet-weather Bacteria TMDL; and assisting in scientific analysis of reports that are available.
- 2.1.3 Provide for meetings as needed and for input from the TAC regarding watershed assessment, overall direction of the program, and review of the plans and specifications for construction.

2.2 Project Prioritization

- 2.2.1 Collect and assess local water quality monitoring data for wet and dry weather runoff and dry weather flow rates and other hydrological data, land uses, local research projects, and existing Geographic Information System (GIS) data. The GIS information will include available land use, stormwater conveyance systems, other infrastructure (if feasible), and receiving waters data.
- 2.2.2 Develop a list of criteria for prioritizing BMP demonstration sites in coordination with the TAC. The criteria may be based on but not limited to regulatory requirements, water quality impairments, watershed restoration plans and goals, habitat and receiving water beneficial uses considerations, site factors, land uses, cost effectiveness, performance, design, timing, complexity and maintenance requirements.
- 2.2.3 Develop a prioritized list of BMP projects that may include the installation of disinfection units, construction of wetlands, or other best management practices that have shown promise in reducing bacteria loading to receiving waterbodies in coordination with the TAC for Jurisdictions 1 and 4 to implement using the selection criteria developed from in 2.2.2. A final report will provide a priority project list for Jurisdictions 1 and 4 watersheds.
- 2.2.4 Select a minimum of one (1) BMP demonstration construction project(s) from the prioritized list of projects for Jurisdictions 1 and 4 that would best fit the timing and funding of this grant in coordination with the TAC.

2.3 Engineering Design

- 2.3.1 Submit the draft sixty percent (60%) completed plans and specifications for the selected BMP demonstration project(s) to the Grant Manager for review. The plans outline the construction of the demonstration project(s). The plans and specifications for a minimum of one (1) demonstration project will be completed prior to the term of this agreement.
- 2.3.2 Revise and finalize the sixty percent (60%) completed plans and specifications incorporating comments received and submit them to the Grant Manager.
- 2.3.3 Submit the draft ninety percent (90%) completed plans and specifications for the selected BMP demonstration project(s) to the Grant Manager for review. The plans outline the construction of the demonstration project(s). The plans and specifications for a minimum of one (1) demonstration project will be completed prior to the term of this agreement.
- 2.3.4 Revise and finalize the ninety percent (90%) completed plans and specifications incorporating comments received and submit them to the Grant Manager.
- 2.3.5 Submit the final plans and specifications for the selected BMP demonstration project(s) to the Grant Manager. The plans will outline the construction of the demonstration project(s). The plans and specifications for a minimum of one (1) demonstration project will be completed prior to the term of this agreement.
- 2.3.6 Prepare and submit a letter to proceed with construction to the Grant Manager for signature.

2.4 Construction

- 2.4.1 Conduct pre-construction photo documentation of project site(s).
- 2.4.2 Construct a minimum of one (1) TAC BMP selected demonstration project according to the approved plans and specifications.
- 2.4.3 Submit "As-built" drawings to the Grant Manager.
- 2.4.4 Conduct post-construction photo documentation of the project site(s).

2.5 Monitoring

- 2.5.1 Conduct post-construction water quality monitoring to determine the effectiveness of the constructed project(s).
- 2.5.2 Prepare and submit to the Grant Manager a monitoring report to document the effectiveness of the implemented BMP(s) by assessing information gathered in 2.2.1 and data collected in 2.5.1.
- 2.5.3 Prepare and submit to the Grant Manager an Operations and Maintenance Manual detailing maintenance of the BMP(s) and maintenance schedules.

2.6 Draft and Final Project Report

- 2.6.1 Prepare a draft project report that includes the results of the tasks listed above. The report shall include the following narrative sections:
 - A brief introduction including a statement of purpose, the scope of the project, and a description of the approach and techniques used during the project.
 - A list of items submitted as outlined in the Table of Submittals.

- Any additional information that is deemed appropriate by the Grantee and Grant Manager.
- Indicate whether the purpose(s) of the project(s) have been met. Include information collected in accordance with the project monitoring and reporting ("assessment and evaluation plan") plan, including a determination of the effectiveness of the BMP(s) or management measures implemented as part of the project in preventing or reducing nonpoint source pollution.

2.6.2 Submit copies of the draft project report to the Grant Manager for review and comment.

2.6.3 Prepare a final project report that addresses comments made by the Grant Manager on the draft project report. Submit one (1) reproducible master and two (2) copies of the final project report to the Grant Manager for review and acceptance.

TABLE OF SUBMITTALS

Item	DESCRIPTION	GRANT FUNDING	DUE DATE
- -	Project Administration	\$0	- -
EXHIBIT A – SCOPE OF WORK			
1.0	QUALITY ASSURANCE PROJECT PLAN and MONITORING PLAN	\$70,000	- -
1.1	Quality Assurance Project Plan	- -	03/02/06
1.2	Monitoring Plan	- -	10/26/06
2.0	WORK TO BE PERFORMED BY GRANTEE		- -
2.1	North Santa Monica Bay Technical Advisory Committee (TAC)	\$0	
2.1.1	List of TAC Members	- -	01/07/05
2.1.2	TAC Roles and Responsibilities	- -	01/07/05
2.1.3	Meeting Agendas and Minutes	- -	02/24/05
2.2	Project Prioritization	\$10,000	
2.2.2	List of Prioritizing Criteria	- -	03/24/05
2.2.3	List of Projects Selected	- -	04/07/05
2.3	Engineering Design	\$74,000	- -
2.3.1	Draft 60% Complete Plans and Specifications	- -	08/25/05
2.3.2	Final 60% Complete Plans and Specifications	- -	10/20/05
2.3.3	Draft 90% Complete Plans and Specifications	- -	12/08/05
2.3.4	Final 90% Complete Plans and Specifications	- -	01/26/06
2.3.5	Final Plans and Specifications	- -	04/02/06
2.3.7	Letter to Proceed	- -	09/07/06
2.4	Construction	\$730,000	- -
2.4.1	Pre-construction Photo Documentation	- -	09/14/06
2.4.3	As-Built Drawings	- -	01/18/07

Item	DESCRIPTION	GRANT FUNDING	DUE DATE
2.4.4	Post-construction Photo Documentation	- -	01/18/07
2.5	Monitoring	\$40,000	- -
2.5.1	Monitoring Report	- -	03/22/07
2.6	Draft and Final Project Reports	\$10,000	- -
2.6.2	Draft Project Report	- -	03/22/07
2.6.3	Final Project Report	- -	03/31/07
EXHIBIT B – INVOICING, BUDGET DETAIL AND REPORTING PROVISIONS			
5.0	Standard Requirements Certification Form		(as needed)
6.1	Progress Reports by the tenth (10 th) of the month following the end of the calendar quarter (March, June, September, and December)	- -	Quarterly
6.2	Expenditure/Invoice Projections	- -	Quarterly
6.3	Grant Summary Form	- -	Day 90
6.4	Natural Resource Projects Inventory project survey form	- -	Before final invoice
EXHIBIT C – SWRCB GENERAL CONDITIONS			
6.	Copy of final CEQA/NEPA documentation	- -	09/29/05
22.	Contract documentation & signed cover sheets for all permits	- -	11/10/05
EXHIBIT D – GRANT PROGRAM TERMS & CONDITIONS			
1.	Project Assessment and Evaluation Plan (PAEP)	\$20,000	10/26/06
Total Grant Funds:		\$954,000	- -

EXHIBIT B – INVOICING, BUDGET DETAIL AND REPORTING PROVISIONS

1. Invoicing

- 1.1 Invoices shall include the Agreement Number. The original invoice shall be submitted to the SWRCB's Program Analyst on a quarterly basis consistent with the reporting schedule in Section 6.1 of this exhibit. Three (3) copies of the invoice shall be submitted to the SWRCB's Grant Manager. The addresses for submittal are:

Monica Torres, Program Analyst
SWRCB, Division of Financial Assistance
1001 I Street, 16th Floor
Sacramento, CA 95814

Rod Collins, Grant Manager
Los Angeles Regional Water Quality Control Board
320 West 4th Street, Suite 200
Los Angeles, CA 90013

- 1.2 Payment of any invoice shall be made only after receipt of a complete, adequately supported, properly documented and accurately addressed invoice. Invoices received by the SWRCB that are not consistent with the approved format will be cause for an invoice to be disputed. In the event of an invoice dispute, the SWRCB's Grant Manager will notify the Grantee by initiating an "Invoice Dispute Notification" form. Payment will not be made until the dispute is resolved and a corrected invoice submitted. Failure to use the address exactly as provided above may result in return of the invoice to the Grantee. Payment shall be deemed complete upon deposit of the payment, properly addressed, postage prepaid, in the United States mail. All invoices must be approved by the SWRCB's Grant Manager.
- 1.3 Notwithstanding any other provision of this Agreement, no disbursement shall be required at any time or in any manner which is in violation of or in conflict with federal or state laws, rules, or regulations, or which may require any rebates to the Federal Government, or any loss of tax-free status on state bonds, pursuant to any Federal statute or regulation.
- 1.4 Notwithstanding any other provision of this Agreement, the Grantee agrees that the SWRCB may retain an amount equal to ten percent (10%) of the grant amount specified in this Agreement until completion of the Project to the reasonable satisfaction of the SWRCB. Any retained amounts due to the Grantee will be promptly disbursed to the Grantee, without interest, upon completion of the Project.
- 1.5 The invoice shall contain the following information:
- 1.5.1 The word "INVOICE" and a sequential invoice number should appear in a prominent location at the top of the page(s);
 - 1.5.2 Printed name of the Grantee;
 - 1.5.3 Business address of the Grantee, including P.O. Box, City, State, and Zip Code;
 - 1.5.4 The date of the invoice;
 - 1.5.5 The number of the Agreement upon which the claim is based; and
 - 1.5.6 An itemized account of the work for which the SWRCB is being billed;
 - 1.5.6.1 The time period covered by the invoice, i.e., the term "from" and "to";
 - 1.5.6.2 A brief description of the work performed;
 - 1.5.6.3 The method of computing the amount due. On cost reimbursable agreements, invoices must be itemized based on the categories specified in the Budget. The amount claimed for salaries/wages/consultant fees must also be explained; i.e., hours or days worked times the hourly or daily rate = the total amount claimed;
 - 1.5.6.4 The total amount due; this should be in a prominent location in the lower right-hand portion of the last page and clearly distinguished from other figures or computations appearing on the invoice; the total amount due shall include all costs incurred by the Grantee under the terms of this Agreement; and
 - 1.5.7 Original signature and date (in ink) of Grantee or its authorized representative.

1.5.8 Final invoice shall be clearly marked 'FINAL INVOICE' and submitted NO LATER THAN MAY 1, 2007.

2. Budget Contingency Clause

The maximum amount to be encumbered under this Agreement for the 2004-05 fiscal year ending June 30, 2005 shall not exceed NINE HUNDRED FIFTY FOUR THOUSAND (\$954,000).

If the Budget Act of the current year and/or any subsequent years covered under this Agreement does not appropriate sufficient funds for the program, this Agreement shall be of no force and effect. This provision shall be construed as a condition precedent to the obligation of the SWRCB to make any payments under this Agreement. In this event, the State shall have no liability to pay any funds whatsoever to Grantee or to furnish any other considerations under this Agreement and Grantee shall not be obligated to perform any provisions of this Agreement. Nothing in this Agreement shall be construed to provide the Grantee with a right of priority for payment over any other Grantee.

If funding for any fiscal year is reduced or deleted by the Budget Act for purposes of this program, the State shall have the option to either cancel this Agreement with no liability occurring to the State, or offer an Agreement amendment to Grantee to reflect the reduced amount.

3. LINE ITEM BUDGET

			PROP. 13	MATCH	TOTAL
Personnel Services			\$224,000	\$176,000	\$400,000
Classification	Hours	Wage per Hour			
Project Director	320	\$100			
Asst. Project Manager	640	\$80			
Project Engineer	960	\$90			
Staff Engineer	1280	\$75			
Engineer Tech/Inspector	1920	\$70			
Construction Expenses (contracted out)			\$730,000	\$24,000	\$754,000
TOTAL			\$954,000	\$200,000	\$1,154,000

4. Budget Line Item Flexibility

4.1 Line Item Adjustment(s). Subject to the prior review and approval of the SWRCB's Grant Manager, adjustments between existing line item(s) may be used to defray allowable direct costs up to fifteen percent (15%) of the Agreement total including any amendment(s) thereto. Line item adjustments in excess of fifteen percent (15%) shall require a formal Agreement amendment.

4.2 Procedure to Request an Adjustment. Grantee may submit a request for an adjustment in writing to the SWRCB. Such adjustment may not increase or decrease the total grant amount allocated per fiscal year. The Grantee shall submit a copy of the original Agreement Budget sheet reflecting the requested changes. Changes shall be noted by striking the original amount(s) followed with revised change(s) in bold and underlined. Budget adjustments deleting a budget line item or adding a new budget line item requires a formal amendment and are not permissible under this provision. The SWRCB may also propose adjustments to the budget.

5. Standard Requirements Certification Form. Grantee shall provide to the SWRCB's Grant Manager a Standard Requirements Certification Form (to be provided by the SWRCB) certifying that QAPP/CEQA/NEPA/PERMIT documents have been received by the Grant Manager. Payment for activities that require a completed QAPP or CEQA/NEPA documents, or permits, shall not be made to Grantee until the certification form is received by the SWRCB's Grant Manager.

6. Reports.

- 6.1 Grantee shall submit quarterly progress reports to the SWRCB's Grant Manager by the tenth (10th) of the month following the end of the calendar quarter (March, June, September, and December). The progress reports shall describe activities undertaken and accomplishments during the quarter, milestones achieved, and any problems encountered in the performance of the work under this Agreement. Grantee shall document all contractor activities and expenditures in progress reports.
 - 6.2 Every three (3) months (quarterly) during the work performed under the Scope of Work - Exhibit A section of this Agreement, the Grantee shall develop and submit to their assigned SWRCB's Program Analyst expenditure/invoice projections to enable funding to be available for payment of invoices.
 - 6.3 Grantee shall complete a one (1) page Grant Summary Form <http://www.swrcb.ca.gov/nps/docs/consummary.doc> within three (3) months of the Agreement execution.
 - 6.4 At the completion of this project, the Grantee shall complete and submit electronically a Natural Resource Projects Inventory (NRPI) project survey form http://www.ice.ucdavis.edu/nrpi_forms/default.asp. A hard copy shall be submitted to the Program Analyst prior to final payment.
 - 6.5 The Grantee agrees to expeditiously provide, during work on the Project and throughout the term of this Agreement, such reports, data, information, and certifications as may be reasonably required by the SWRCB.
7. Payment of Project Costs. The Grantee agrees that it will provide for payment of its full share of Project costs and that all costs connected with the Project will be paid by the Grantee on a timely basis.
8. Audit Disallowances. The Grantee agrees it shall return any audit disallowances to the SWRCB.

EXHIBIT C
SWRCB GENERAL CONDITIONS

1. **AMENDMENT:** No amendment or variation of the terms of this Agreement shall be valid unless made in writing, signed by the parties and approved as required. No oral understanding or Agreement not incorporated in the Agreement is binding on any of the parties.
2. **APPROVAL:** The Grantee will not proceed with any work on the Project until authorized in writing by the SWRCB.
3. **ASSIGNMENT:** This grant is not assignable by the Grantee, either in whole or in part, without the consent of the SWRCB.
4. **AUDIT:** Grantee agrees that the awarding department, the Bureau of State Audits, or their designated representative shall have the right to review and to copy any records and supporting documentation pertaining to the performance of this Agreement. The Grantee agrees to maintain such records for a possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated. Grantee agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees who might reasonably have information related to such records. Further, Grantee agrees to include a similar right of the State to audit records and interview staff in any contract related to performance of this Agreement.
5. **BONDING:** Where contractors are used, Grantee shall not authorize construction to begin until each such contractor has furnished a performance bond in favor of the Grantee in the following amounts: faithful performance (100%) of contract value; labor and materials (100%) of contract value. This requirement shall not apply to any contract for less than \$20,000.00.
6. **CEQA/NEPA:** No work that is subject to the California Environmental Quality Act (CEQA) or National Environmental Policy Act (NEPA) may proceed under this Agreement until documents that satisfy the CEQA/NEPA process are received by the Grant Manager.
7. **COMPLIANCE WITH LAW, REGULATIONS, ETC.:** The Grantee agrees that it will, at all times, comply with and require its contractors and subcontractors to comply with all applicable federal and state laws, rules, guidelines, regulations, and requirements. Without limitation of the foregoing, the Grantee agrees that, to the extent applicable, the Grantee will comply with the provisions of the adopted environmental mitigation plan for the term of this Agreement.
8. **COMPUTER SOFTWARE:** The Grantee certifies that it has appropriate systems and controls in place to ensure that state funds will not be used in the performance of this Agreement for the acquisition, operation or maintenance of computer software in violation of copyright laws.
9. **CONTINUOUS USE OF PROJECT; LEASE OR DISPOSAL OF PROJECT:** The agency agrees that, except as provided in the agreement, it will not abandon, substantially discontinue use of, lease, or dispose of the project or any significant part or portion thereof during the useful life of the project without prior written approval of the division. Such approval may be conditioned as determined to be appropriate by the division, including a condition requiring repayment of all or any portion of all remaining grant project funds covered by this agreement together with accrued interest and any penalty assessments which may be due.
10. **DAMAGES FOR BREACH AFFECTING TAX EXEMPT STATUS:** In the event that any breach of any of the provisions of this Agreement by the Grantee shall result in the loss of tax exempt status for any state bonds, or if such breach shall result in an obligation on the part of the State to reimburse the federal government by reason of any arbitrage profits, the Grantee shall immediately reimburse the state in an amount equal to any damages paid by or loss incurred by the state due to such breach.
11. **DISPUTES:** Grantee shall continue with the responsibilities under this Agreement during any dispute. Any dispute arising under this Agreement which is not otherwise disposed of by agreement shall be decided by the Chief of the Division of Financial Assistance (Division), or his or her authorized representative. The decision shall be reduced to writing and a copy thereof furnished to the Grantee and to the SWRCB's

Executive Director. The decision of the Division shall be final and conclusive unless, within thirty (30) calendar days after mailing of the Division decision to the Grantee, the Grantee mails or otherwise furnishes a written appeal of the decision to the SWRCB's Executive Director. The decision of the SWRCB's Executive Director shall be final and conclusive unless determined by a court of competent jurisdiction to have been fraudulent, or capricious, or arbitrary, or so grossly erroneous as necessarily to imply bad faith, or not supported by substantial evidence. In connection with any appeal under this clause, the Grantee shall be afforded an opportunity to be heard and to offer evidence in support of its appeal. Pending final decision of a dispute hereunder, the Grantee shall continue to fulfill and comply with all the terms, provisions, commitments, and requirements of this Agreement. This clause does not preclude consideration of legal questions, provided that nothing herein shall be construed to make final the decision of the SWRCB, or any official or representative thereof, on any question of law.

12. **FISCAL MANAGEMENT SYSTEMS AND ACCOUNTING STANDARDS:** The Grantee agrees that, at a minimum, its fiscal control and accounting procedures will be sufficient to permit tracing of grant funds to a level of expenditure adequate to establish that such funds have not been used in violation of state law or this Agreement. The Grantee further agrees that it will maintain separate Project accounts in accordance with generally accepted accounting principles.
13. **GOVERNING LAW:** This grant is governed by and shall be interpreted in accordance with the laws of the State of California.
14. **GRANT MODIFICATIONS:** The SWRCB may, at any time, without notice to any sureties, by written order designated or indicated to be a "grant modification", make any change in Exhibit A, for the work to be performed under this Agreement so long as the modified work is within the general scope of work called for by this Agreement, including but not limited to changes in the specifications or in the method, manner, or time of performance of work. If the Grantee intends to dispute the change, the Grantee must, within ten (10) days after receipt of a written "grant modification", submit to the SWRCB a written statement setting forth the disagreement with the change.
15. **INCOME RESTRICTIONS:** The Grantee agrees that any refunds, rebates, credits, or other amounts (including any interest thereon) accruing to or received by the Grantee under this Agreement shall be paid by the Grantee to the State, to the extent that they are properly allocable to costs for which the Grantee has been reimbursed by the State under this Agreement.
16. **INDEPENDENT ACTOR:** The Grantee, and its agents and employees, if any, in the performance of this Agreement, shall act in an independent capacity and not as officers of employees or agents of the SWRCB.
17. **INSPECTION:** Throughout the term of this Agreement, the SWRCB shall have the right to inspect the project area to ascertain compliance with this Agreement.
18. **INSURANCE:** Throughout the term of this Agreement, the Grantee shall provide and maintain insurance against fire, vandalism and other loss, damage, or destruction of the facilities or structures constructed pursuant to this Agreement, if any. This insurance shall be issued by a company or companies admitted to transact business in the State of California. The insurance policy shall contain an endorsement specifying that the policy will not be cancelled or reduced in coverage without thirty days' prior written notice to the SWRCB. In the event of any damage to or destruction of the Project or any larger system of which it is a part, the net proceeds of insurance shall be applied to the reconstruction, repair or replacement of the damaged or destroyed parts of the Project or its larger system. The Grantee shall begin such reconstruction, repair, or replacement as expeditiously as possible and shall pay out of such net proceeds all costs and expenses in connection with such reconstruction, repair or replacement so that the same shall be completed and the larger system shall be free of all claims and liens.
19. **NONDISCRIMINATION:** During the performance of this Agreement, the Grantee and its contractors shall not unlawfully discriminate against, harass, or allow harassment against any employee or applicant for employment because of sex, race, religion, color, national origin, ancestry, disability, sexual orientation, medical condition, marital status, age (over 40) or denial of family-care leave, medical-care leave, or pregnancy-disability leave. The Grantee and its contractors shall ensure that the evaluation and treatment of their employees and applicants for employment are free of such discrimination and harassment.

20. **NOTICE:** The Grantee shall promptly notify the SWRCB of events or proposed changes that could affect the scope, budget, or work performed under this Agreement. The Grantee agrees that no substantial change in the scope of the Project will be undertaken until written notice of the proposed change has been provided to the SWRCB, and the SWRCB has given written approval for such change. The Grantee shall notify the SWRCB at least ten (10) working days prior to any public or media event publicizing the accomplishments and/or results of this Agreement and provide the opportunity for attendance and participation by SWRCB's representatives. The Grantee shall promptly notify the SWRCB in writing of completion of work on the Project. The Grantee shall promptly notify the SWRCB in writing of any cessation of all major construction work on the Project where such cessation of work is expected to or does extend for a period of thirty (30) days or more and of any circumstance, combination of circumstances, or condition, which is expected to or does delay completion of construction for a period of ninety (90) days or more beyond the estimated date of completion of construction previously provided.
21. **OPERATIONS & MAINTENANCE:** The Grantee shall maintain and operate the facility and structures constructed or improved as part of the project throughout the term of this Agreement, consistent with the purposes for which this Grant was made. The Grantee assumes all operations and maintenance costs of the facilities and structures; the SWRCB shall not be liable for any cost of such maintenance, management or operation. The Grantee may be excused from operations and maintenance only upon the written approval of the Grant Manager. For purposes of this Agreement, "operation costs" include direct costs incurred for material and labor needed for operations, utilities, insurance, and similar expenses. "Maintenance costs" include ordinary repairs and replacements of a recurring nature necessary to prolong the life of capital assets and basic structures, and the expenditure of funds necessary to replace or reconstruct capital assets or basic structures.
22. **PERMITS, CONTRACTING, WAIVER, REMEDIES AND DEBARMENT:** The Grantee shall procure all permits and licenses necessary to accomplish the work contemplated in this Agreement, pay all charges and fees, and give all notices necessary and incidental to the due and lawful prosecution of the work. Any contractors, outside associates, or consultants required by the Grantee in connection with the services covered by this Agreement shall be limited to such individuals or firms as were specifically identified and agreed to during negotiations for this Agreement, or as are specifically authorized by the SWRCB's Grant Manager during the performance of this Agreement. Any substitutions in, or additions to, such contractors, associates, or consultants, shall be subject to the prior written approval of the SWRCB's Grant Manager. Any waiver of rights with respect to a default or other matter arising under the Agreement at any time by either party shall not be considered a waiver of rights with respect to any other default or matter. Any rights and remedies of the State provided for in this Agreement are in addition to any other rights and remedies provided by law. The Grantee shall not contract with any party who is debarred or suspended or otherwise excluded from or ineligible for participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension". The Grantee shall not contract with any individual or organization on USEPA's List of Violating Facilities. (40 CFR, Part 31.35, Gov. Code 4477) The Grantee certifies to the best of its knowledge and belief, that it and its principals:
- a. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or grantee;
 - b. Have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
 - c. Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in paragraph (b) of this certification; and
 - d. Have not within a three-year period preceding this application/proposal had one or more public transactions (federal, state or local) terminated for cause or default.

23. **PREVAILING WAGES AND LABOR COMPLIANCE:** If applicable, the Grantee agrees to be bound by all the provisions of State Labor Code Section 1771 regarding prevailing wages. If applicable, the Grantee shall monitor all agreements subject to reimbursement from this Agreement to assure that the prevailing wage provisions of State Labor Code Section 1771 are being met. The Grantee agrees to fulfill its responsibilities under Section 1771.8 of the Labor Code, where applicable.
24. **PROFESSIONALS:** The Grantee agrees that only licensed professionals will be used to perform services under this Agreement where such services are called for.
25. **RECORDS:** Without limitation of the requirement to maintain Project accounts in accordance with generally accepted accounting principles, the Grantee agrees to:
- a. Establish an official file for the Project which shall adequately document all significant actions relative to the Project;
 - b. Establish separate accounts which will adequately and accurately depict all amounts received and expended on this Project, including all grant funds received under this Agreement;
 - c. Establish separate accounts which will adequately depict all income received which is attributable to the Project, especially including any income attributable to grant funds disbursed under this Agreement;
 - d. Establish an accounting system which will adequately depict final total costs of the Project, including both direct and indirect costs;
 - e. Establish such accounts and maintain such records as may be necessary for the state to fulfill federal reporting requirements, including any and all reporting requirements under federal tax statutes or regulations; and
 - f. If Force Account is used by the Grantee for any phase of the Project, establish an account that documents all employee hours, and associated tasks charged to the Project per employee.
26. **RIGHTS IN DATA:** The Grantee agrees that all data, plans, drawings, specifications, reports, computer programs, operating manuals, notes, and other written or graphic work produced in the performance of this Agreement shall be in the public domain. The Grantee may disclose, disseminate and use in whole or in part, any final form data and information received, collected, and developed under this Agreement, subject to appropriate acknowledgement of credit to the SWRCB for financial support. The Grantee shall not utilize the materials for any profit-making venture or sell or grant rights to a third party who intends to do so.
27. **STATE REVIEWS AND INDEMNIFICATION:** The parties agree that review or approval of Project applications, documents, permits, plans and specifications or other Project information by the SWRCB is for administrative purposes only and does not relieve the Grantee of its responsibility to properly plan, design, construct, operate, maintain, implement, or otherwise carry out the Project. To the extent permitted by law, the Grantee agrees to indemnify, defend and hold harmless the SWRCB and the State against any loss or liability arising out of any claim or action brought against the SWRCB and/or the State from and against any and all losses, claims, damages, liabilities or expenses, of every conceivable kind, character and nature whatsoever arising out of, resulting from, or in any way connected with (1) the Project or the conditions, occupancy, use, possession, conduct or management of, work done in or about, or the planning, design, acquisition, installation or construction, of the Project or any part thereof; (2) the carrying out of any of the transactions contemplated by this Agreement or any related document; (3) any violation of any applicable law, rule or regulation, any environmental law (including, without limitation, the Federal Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, the California Hazardous Substance Account Act, the Federal Water Pollution Control Act, the Clean Air Act, the California Hazardous Waste Control Law and California Water Code Section 13304, and any successors to said laws), rule or regulation or the release of any toxic substance on or near the System; or (4) any untrue statement or alleged untrue statement of any material fact or omission or alleged omission to state a material fact necessary to make the statements required to be stated therein, in light of the circumstances under which they were made, not misleading with respect to any information provided by the Grantee for use in any disclosure document utilized in connection with any of the transactions contemplated by this Agreement. To the fullest extent permitted by law, the Grantee agrees to pay and discharge any judgment or award entered or made against the SWRCB and/or the State with respect to any such claim or action, and any settlement, compromise or other voluntary resolution. The provisions of this section shall survive the term of this Agreement.

28. **SUPPLEMENTAL ENVIRONMENTAL PROJECTS:** Grant Funds shall not be used for supplemental environmental projects required by Regional Boards.
29. **SWRCB ACTION, COSTS, AND ATTORNEY FEES:** The Grantee agrees that any remedy provided in this Agreement is in addition to and not in derogation of any other legal or equitable remedy available to the SWRCB as a result of breach of this Agreement by the Grantee, whether such breach occurs before or after completion of the Project, and exercise of any remedy provided by this Agreement by the SWRCB shall not preclude the SWRCB from pursuing any legal remedy or right which would otherwise be available. In the event of litigation between the parties hereto arising from this Agreement, it is agreed that the prevailing party shall be entitled to such reasonable costs and/or attorney fees as may be ordered by the court entertaining such litigation.
30. **TERMINATION, IMMEDIATE REPAYMENT, INTEREST:** This Grant Agreement may be terminated by written notice at any of this Grant Agreement time prior to completion of the Project, at the option of the SWRCB, upon violation by the Grantee of any material provision after such violation has been called to the attention of the Grantee and after failure of the Grantee to bring itself into compliance with the provisions of this Agreement within a reasonable time as established by the SWRCB. In the event of such termination, the Grantee agrees, upon demand, to immediately repay to the SWRCB an amount equal to the amount of grant funds disbursed to the Grantee prior to such termination. In the event of termination, interest shall accrue on all amounts due at the highest legal rate of interest from the date that notice of termination is mailed to the Grantee to the date of full repayment by the Grantee.
31. **TIMELINESS:** Time is of the essence in this Agreement. The Grantee shall proceed with and complete the Project in an expeditious manner.
32. **TRAVEL AND PER DIEM:** Any reimbursement for necessary travel and per diem shall be at rates not to exceed those amounts paid to the State's represented employees under collective bargaining Agreements currently in effect. No travel outside the State of California shall be reimbursed unless prior written authorization is obtained from the SWRCB.
33. **UNENFORCEABLE PROVISION:** In the event that any provision of this Agreement is unenforceable or held to be unenforceable, then the parties agree that all other provisions of this Agreement shall continue to have full force and effect and shall not be affected thereby.
34. **USEFUL LIFE OF PROJECT:** For the purpose of this Agreement, the useful life of any constructed portions of this Project begins upon completion of construction and continues until fifty (50) years thereafter for pipelines and structures and twenty (20) years for all else.
35. **VENUE:** The SWRCB and the Grantee hereby agree that any action arising out of this Agreement shall be filed and maintained in the Superior Court in and for the County of Sacramento, California, or in the United States District Court in and for the Eastern District of California. The Grantee hereby waives any existing sovereign immunity for the purposes of this Agreement.
36. **WITHHOLDING OF GRANT DISBURSEMENTS:** The SWRCB may withhold all or any portion of the grant funds provided for by this Agreement in the event that the Grantee has materially violated, or threatens to materially violate, any term, provision, condition, or commitment of this Agreement; or the Grantee fails to maintain reasonable progress toward completion of the Project.

EXHIBIT D
Grant Program Terms & Conditions

1. Notwithstanding Exhibit A, the Grantee agrees to submit a monitoring and reporting plan that will do all of the following:
 - a. identifies one or more nonpoint sources of pollution
 - b. describes the baseline water quality of the water body impacted
 - c. describes the manner in which the proposed best management practices or management measures are implemented
 - d. determines the effectiveness of the proposed practices or measures in preventing or reducing pollution.
2. Notwithstanding Exhibit A, the Grantee agrees to submit a report to the SWRCB at the completion of the project that summarizes the completed project and indicates whether the purposes of the project have been met. The report shall include information collected by the Grantee in accordance with the project monitoring and reporting plan, including a determination of the effectiveness of the best management practices or management measures implemented as part of the project in preventing or reducing nonpoint source pollution.
3. The Grantee hereby certifies that it has not received any funding for this project under Water Code § 79148 – 79148.16 (Proposition 13 Coastal Nonpoint Source).